

APPENDIX K

WAREHOUSE INSPECTION GUIDE **AND** INSTRUCTIONS FOR PREPARATION OF THE WAREHOUSE INSPECTION REPORT

(DD FORM 1812)

1. General. This section provides information and guidance regarding the on-site inspection of commercial carrier, agent and contractor warehouses approved for the storage of personal property shipments. This information supplements the criteria outlined in Appendix G, Preaward Survey Guidelines, and should be used as a checklist when performing quarterly, semiannual, and other routine facility inspections. Activities **located** outside CONUS, excluding **Alaska** and Hawaii, may deviate from the procedures outlined herein when the theater commander or other designated authority has established facility standards to comply with localized practices, trade, and customs.

a. When the facility of a carrier or agent is utilized by more than a single personal property shipping office (**PPSO**), one PPSO will be designated to perform the required inspections. The activity will be designated by mutual agreement of the PPSOS concerned. When PPSOS are unable to reach an agreement as to the activity to be designated, the cognizant MTMC area command or field office shall determine which activity will be responsible to perform the required inspections. Normally the PPSO with geographical responsibility for the area in which the facility is located will perform the inspections. The PPSO which assumes responsibility for performing the inspections will provide other PPSOS using the same facility a copy of all inspection reports and related documents which may affect the storage program, carrier-agent representation **rules** and similar matters. When an inspection results in the disqualification of a facility, the disqualification will apply for all PPSOS using the same facility.

b. The **DD 1812**, Warehouse Inspection Report (Figure K-1) is to be utilized when performing the aforementioned inspections. Modern warehousing and storage facilities incorporate various techniques and methods to provide the storage and related services contracted for under the Basic Ordering Agreement (BOA) and Tender of Service. In this regard, the inspecting official must evaluate numerous areas to ensure that the facility complies with the requirements of the applicable contract or tender and the stored property is afforded adequate levels of protection in a safe environment. Each facility inspection should be preplanned to achieve maximum results. During the Pre-trip planning it is suggested the inspection official review previous inspection findings, reports on service failures, customer complaints, claim letters, and other general information which is readily available. These and related areas can be discussed with a management official of the company during or after the actual inspection process.

2. General Inspection Procedures. A technique substantially outlined below is recommended to be followed during on-site inspections:

a. On approach to the warehouse note general activity, status of yard operations, and evidence of security measures.

b. At the warehouse, contact management official, advise of the purpose of **visit**, and set forth procedures of inspection.

c. As a minimum, the inspection and evaluation process will include a review of the following areas:

(1) Fire detection and reporting systems.

(2) Security systems.

(3) Structural and electrical Systems.

(4) Storage methods and practices.

(5) Locator and lot identification systems.

(6) Documents to include household goods descriptive inventories, weight tickets, warehouse receipt, etc.

3. Specific Inspection Areas. **During** the inspection process, it is recommended that the inspecting official:

a. Open a selected storage lot to observe packaging, marking and stacking methods (**RSMO** inspections only).

b. Check the locator system's accuracy by randomly selecting storage lots and cross-checking the information contained in the locator system with the actual location of the property in the warehouse.

c. Review segregated item storage practices for articles such as rugs, sofas, and pianos.

d. Circle outside of warehouse doing checks for fire hazards and security conditions. Combustible materials stored outside should be kept a minimum of 20 feet from the building. Due to the proximity of adjoining buildings, property lines and similar circumstances, this may not be practicable in all areas. Therefore, the inspector should exercise sound judgement in applying this standard.

e. Observe worker activity to include operations associated with the handling in and out of shipments.

f. Check truck. and platform scales to ensure they have been inspected in accordance with state, county, or city codes.

g. Check to verify that maintenance inspections of fire safety systems are being performed. As a minimum, fire detection and reporting systems must be inspected monthly and sprinkler systems quarterly.

h. Check to verify that an insect and rodent control program, either self administered or provided by an **outside firm**, is in effect.

4. Inspection Report. Upon summation of the inspection, a **DD Form 1812**, Warehouse Inspection Report must be executed pursuant to the instructions contained in paragraph 5 below. The contractor, carrier, or agent must also be given an oral briefing on the deficiencies noted and a suggested course of action for correction which will meet DOD standards.

5. Instructions for preparation of the **DD** 1812, Warehouse Inspection Report. A written report of all inspections must be made on a **DD** Form 1812 (Figure K-1) and maintained as part of the contractor, carrier, or agent file, as appropriate. The **DD** Form 1812 will be prepared as indicated below:

GENERAL INFORMATION:

a. The type of inspection will reflect the type of inspection being performed: storage-in-transit (SIT), Basic Ordering Agreement (BOA), or both. The personal property shipping officer will check the PPSO block when independent inspections are performed, whereas the regional storage management office (**RSMO**) inspectors will check the RSMO block. For joint inspections (**PPSO/RSMO**), the first block indicating both BOA and SIT will be checked.

b. The actual data on which the inspection is performed will be entered.

c. The name and address of the contractor, **carrier**, or agent will reflect the present name and address of the company operating the facility for SIT and/or BOA storage.

d. The address of the actual location of the warehouse.

e. The total number of lots in storage and weight. This applies to BOA approved facilities only.

f. The applicable block for the fire system/class will be checked.

g. The current status of the warehouse will be checked: active, inactive or ineligible.

h. The contract reference number is only applicable to RSMO inspection of BOA-approved storage facilities.

i. Section 1: **Pre-** and Post-Storage Services. All deficiencies and violations listed in this section will be based on inspections by the PPSO or RSMO inspecting official in connection with **pre-storage** and post-storage services. When violations are observed and recorded in this section for lots which are in contemporary storage under the BOA, the PPSO will forward a copy of the report to the cognizant RSMO contracting officer within 10 working days of inspection.

j. Sections 2 through 5. These sections separate the inspection areas by categories and subcategories which are to be evaluated during the inspection process. Each subcategory is also listed in the Guide to Severity of Deficiencies with references, when appropriate, to the BOA or Tender of Service and numerical quality control rating. All subcategories listed must be checked and assigned a quality control rating when deficiencies are observed. For subcategories which do not cite a cross-reference to the BOA or Tender of Service, commercial warehousing principles, as established **by the** American Warehousing Association, National Fire Protection Association, and similar authorities are accepted. The inspecting official may assign a lower or higher **point** value (not to exceed three (3)) depending on the severity of the deficiency.

k. Section 6: Deficiencies Observed/Actions Taken. This section is for the assignment of a quality control rating and is designed for the inspecting official to apply a suitable numerical rating to the facility. Based on the findings noted, the inspecting official may indicate any necessary actions to be taken by the contractor, carrier, or agent.

l. Remarks Section. This section is used to provide a narrative description of the deficiencies observed and record other pertinent information relative to the inspection.

m. Signature Blocks. The DD Form 1812 will be signed by the inspecting official and a representative of the contractor carrier or agent at the time of inspection and prior to distribution of the form.

6. Upon completion of the inspection process the facility will be rated based on the type and severity of discrepancies observed. **Ratings** will be awarded as follows:

a. **"A"** rating. This rating is assigned when no deficiencies are observed. No further action is necessary.

b. **"B"** rating. This rating is assigned when the observed deficiencies are minor and are **easily** correctable. The contractor, carrier, or agent will be requested to perform immediate corrective action.

c. **"C"** rating. This rating is assigned when deficiencies are observed; however, they do not warrant declaring the contractor, carrier or agent ineligible for further business. The contractor will be required to provide a written detailed report of corrective action taken, signed by a responsible company official, within 10 days after the inspection. The facility should be closely monitored by both the RSMO and PPSO for any future signs of deterioration in the quality of service. During the next regular inspection, if the contractor, carrier or agent has falsely reported a corrective action or repeated a violation previously called to their attention, grounds will exist for immediately placing the facility in a state of ineligibility or nonuse for a period deemed appropriate for the violation. The appropriate MTMC area command will be advised of this action.

d. **"D"** rating. This rating is assigned when the observed deficiencies merit a quality control rating score of "D" (17 points and over) or items marked by an asterisk are considered of sufficient importance to warrant declaring the contractor, carrier, or agent ineligible or **in nonuse** status for further business. The inspecting official will immediately place the contractor, carrier, or agent in a temporary state of ineligibility or disqualify the facility for business pending corrective action. The contractor, carrier, or agent will be required to explain action taken and provide a written report of corrective action prior to the facility being reinspected. The cognizant contracting officer for NTS or PPSO for SIT may reinstate the facility **when** deficiencies have been corrected, evidence provided, and positive action taken to preclude recurrence.

e. **"E"** rating. A repeat violation of a serious deficiency or evidence of false reporting of corrective actions will merit a quality control rating score of "E" and will be grounds for continuation of the state of ineligibility or disqualification for a period set **by the** contracting officer

or PPSO as appropriate. When the contracting officer determines an "E" rating is not sufficient, then a "Stop Notice" for future DOD contemporary storage business may be issued or action taken to terminate the contractor for default. Also this information may be used by a PPSO to disqualify the facility of a carrier or a carrier's agent.

7. Distribution. The **DD** Form 1812 will be completed in triplicate and distributed, as indicated below, after the inspecting official and contractor, carrier or agent have signed the completed form:

a. The original is placed in the RSMO contract file or PPSO file as appropriate.

b. A copy is furnished to the contractor, carrier, or agent, as appropriate, at the time of inspection.

c. When the inspection is performed by a RSMO contracting officer, a copy is provided to the cognizant PPSO. When the inspection is performed independently by a PPSO and the facility inspected participates in the contemporary storage program, and deficiencies are observed and **recorded**, a copy must be provided to the cognizant RSMO. When an PPSO has assumed the inspection responsibilities for facilities used by other **PPSOs**, a copy of **all** inspection reports must be provided to each user activity within 10 working days from the date of inspection.

GUIDE TO SEVERITY OF DEFICIENCIES

<u>Technical Area</u>	<u>Quality Control</u>		<u>References</u>	
	<u>Point</u>	<u>Rating</u>	<u>BOA</u>	<u>TOS</u>
1. PRE- AND POST-STORAGE SERVICES				
A. Unauthorized equipment in use	1		C-2a	49
B. Unauthorized cartons and packaging used.	1		C-2b	43
c. Improper packing/sealing marking of cartons.	1		C-4d	44
D. Pickup service not accomplished on time.	1		C-2d	41
E. Improper loading/unloading of van or pallet.	1		c-4	42, 51
F. Disassembled parts not packaged inventoried.	1		C-4a(2)	42c
G. Inventory stickers on finished surface	1		C-4C	540
H. Improper appliance servicing labeling.	1		C-4d	44K
I. Smoking observed at residence	1		c-2f	
J. Unqualified Personnel	1		C-2f	47
K. Origin premises not left in good order.	1		C-4i	50
L. Destination services improperly performed	1		C-4j	37
M. Deviations to service order	1		C-1c	
N. Delivery service not accomplished on time	1		C-7a	41
2. ADMINISTRATION				
A. Incorrect inventory preparation	1		c-5	45, 54
B. No separate weight ticket and certificate/PB and E/WT.	1		C-4h	20, 52
c. Incorrect warehouse receipt preparation.	1		C-7C	
D. Ineffective locator system	3		C-6d	36c
E. Contract supporting paperwork needed.	1		H-8	52
3. STORAGE METHODS & OPERATION				
A. Consigned lots not stored within 5 days	2		C-7a	
B. Improper storage, stacks/pallets	2		C-6	36
c. Finished surfaces not protected by pads/wrap	2		C-6a(1)	42
D. Lots and separated pieces not elevated 2 inches	2		C-6c(7)	36a
E. Lots stored against exterior walls	1		C-6c(7)	36a
F. Lawnmowers not stored at base level of lot	1		C-2c(6)	36
G. Improper Firearms control	2		C-3m	4 Oh

GUIDE TO SEVERITY OF DEFICIENCIES

Technical Area	Quality Control		References	
	Point	Rating	BOA	TOS
H. Loose stack storage over 10 feet	2		C-6c(7)	36a
I. PBO contents not identified on inventory	1		C-5a	
J. Improper storage of upholstered pieces	2		C-6b(3)	36e
K. Improper storage of rugs/pads	2		C-6b(2)	36d
L. Improper piano/organ storage	1		C-6b(5)	36a
M. Improper storage of mattresses	1		C-3i	36a
N. Segregated items not properly identified	2		C-6d(3)	36c
O. Improper packing of mirrors/glass table tops	1		c-3f	44g
P. Inadequate protection against mold/mildew	2		C-6b(7)	
Q. Aisles being used to process goods in/out	1		C-6c(6)	
R. Previous discrepancies not corrected.	3		Sec. E	29
4. FIRE PREVENTION AND HOUSEKEEPING				
A. Electric/heat/water systems require repair	1		C-6c(8)	
B. Evidence of smoking in warehouse	3		C-6c(4)	
c. Unauthorized items stored	3		C-6c(3)	
D. Improper aisle and/or stacking clearance	1		C-6c(2)	36
E. No current fire system inspections	3		C-7e	
F. No current fire extinguisher inspection	3		C-6c(2), C-7e	
G. No extinguishers on warehouse equipment	2		C-6c(2)	
H. Trash/debris in storage area	2		C-6c(5)	
I. Fire doors inoperable/in need of repair	3		C-7e	
J. No fire plan posted	1		C-7e	
K. Space heaters/extension cords being used	1		C-6c(8)	
L. Gas and oil not drained from motorized items				
M. Hazards noted within 20 feet of warehouse	2		C-6a(3) C-6c(3)	
N. Flammables/combustibles found in warehouse	2		C-6c(3)	
5. WAREHOUSE PRACTICES				
A. Inadequate security	3		C-6e	
B. Inadequate loading/unloading area	1		C-6c(1)	
c. Structural deficiencies (doors/floors/roof/walls/windows)	3		C-6e, C-7e	

GUIDE TO SEVERITY OF DEFICIENCIES

<u>Technical Area</u>	Quality Control <u>Point Rating</u>	References	
		<u>BOA</u>	<u>TOS</u>
D. Inadequate protection from sun/ dust/heat/cold/moisture	2	C-6c(1)	
E. Lack of insect/rodent control	2	C-6b(7)	
F. Vehicles parked in storage area	3	C-6c(9)	
G. Commingled storage with undesirable commodities	2	C-6c(3)	
H. Multiple occupancy*		C-6c(3)	
I. Weight stored in excess of authorized limit	2	C-7j	

* When those items followed by an asterisk are observed, the inspecting official should consider placing the facility in an ineligible or disqualified status **immediately**. The facility will not be removed from this status **until** the deficiencies have been corrected and verified by an on-site inspection. When the **PPSO**, at the request of a **RSMO**, verifies that the **deficiencies** have been satisfactorily corrected, the facility may be removed from disqualified or **ineligible** status.

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WAREHOUSE INSPECTION REPORT			<input type="checkbox"/> BOTH BOA AND SIT <input type="checkbox"/> RSMO <input type="checkbox"/> ITO		DATE OF INSPECTION (Yr/Mo/Day)			
NAME AND ADDRESS OF CONTRACTOR/CARRIER	ADDRESS OF WAREHOUSE	FIRE SYSTEM/CLASS		LOTS	WEIGHT			
		SS/1	USS/2			D & R/3	FCR/4	
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
		<input type="checkbox"/>	0			0	0	
		<input type="checkbox"/>	0			0	0	
			<input type="checkbox"/>	0	0	n		
CONTRACT REFERENCE NUMBER	STATUS: <input type="checkbox"/> ACTIVE <input type="checkbox"/> INACTIVE <input type="checkbox"/> INELIGIBLE		CURRENT CONTRACT OR TENDER OF SE "V" "O" "L" <input type="checkbox"/> YES "O" NO					
PRE AND POST STORAGE SERVICES A Unauthorized equipment in use - <input type="checkbox"/> Unauthorized cartons and packaging used - <input type="checkbox"/> C Improper packing/sealing/markings of cartons - <input type="checkbox"/> O Pickup service not accomplished on time - <input type="checkbox"/> E Improper loading/unloading of van or pallet - <input type="checkbox"/> F Disassembled parts not packaged/inventoried - <input type="checkbox"/> G Inventory stickers on finished surfaces - <input type="checkbox"/> H Improper <input type="checkbox"/> epkiknba servicing/labeling - <input type="checkbox"/> I Smoking observed at residence - <input type="checkbox"/> J Employees on duty not efficient/neat - <input type="checkbox"/> K Origin premises not left in good order - <input type="checkbox"/> L Destination services improperly performed - <input type="checkbox"/> M Deviations to service order - <input type="checkbox"/> N Delivery service not accomplished on time ADMINISTRATION - <input type="checkbox"/> A Incorrect inventory preparation - <input type="checkbox"/> <input type="checkbox"/> No separate weight ticket <input type="checkbox"/> nd certificate/PB and E/WT - <input type="checkbox"/> c Incorrect warehouse receipt preparation - <input type="checkbox"/> D Ineffective locator system* - <input type="checkbox"/> E Contract supporting paperwork needed STORAGE METHODS & OPERATION - <input type="checkbox"/> A Consigned lots not stored within 5 days* - <input type="checkbox"/> <input type="checkbox"/> Improper storage, stacks/pallets - <input type="checkbox"/> C Finished surfaces not protected by pads/wrap - <input type="checkbox"/> O Lots and separated pieces not elevated 2 inches - <input type="checkbox"/> E Lots stored against <input type="checkbox"/> xt*clOr walls - <input type="checkbox"/> F Lawnmowers not stored <input type="checkbox"/> t base level of lot - <input type="checkbox"/> G Improper firearms control - <input type="checkbox"/> H Loose stack storage over 10 feet* - <input type="checkbox"/> I PBO contents not identified on inventory - <input type="checkbox"/> J Improper storage of upholstered pieces* - <input type="checkbox"/> K Improper storage of rugs/pads*			3. (CONT) - <input type="checkbox"/> L Improper plane/organ storage - <input type="checkbox"/> M Improper storage of mattresses - <input type="checkbox"/> N Segregated items not properly identified - <input type="checkbox"/> O Improper packing of mirrors/glass table tops - <input type="checkbox"/> <input type="checkbox"/> Inadequate protection against mold/mildew - <input type="checkbox"/> 4 Aktw being used to process goods in/Owt - <input type="checkbox"/> n Previous discrepancies not corrected* 4. FIRE PREVENTION AND HOUSEKEEPING - <input type="checkbox"/> A Electric/heat/water systems require repair - <input type="checkbox"/> B Evidence of smoking in warehouse* - <input type="checkbox"/> C Unauthorized items stored <input type="checkbox"/> - <input type="checkbox"/> O Improper <input type="checkbox"/> kdo <input type="checkbox"/> nsfor stacking clearance - <input type="checkbox"/> E No fire system inspection* - <input type="checkbox"/> F No fire extinguisher inspection - <input type="checkbox"/> G No <input type="checkbox"/> ntln.whhws on warehouse equipment - <input type="checkbox"/> H Trash/debris in storage area - <input type="checkbox"/> I Fire doors inoperable/in need of repair - <input type="checkbox"/> J No fire plan posted - <input type="checkbox"/> K Space heaters/extension cords being used - <input type="checkbox"/> L Gas and oil not drained from motorized items - <input type="checkbox"/> M Hazards noted within 50 feet of warehouse <input type="checkbox"/> - <input type="checkbox"/> N Flammables/combustibles found in warehouse* 5. WAREHOUSE PRACTICES - <input type="checkbox"/> A Inadequate security* - <input type="checkbox"/> <input type="checkbox"/> Inadequate loading/unloading <input type="checkbox"/> i m - <input type="checkbox"/> c Structural <input type="checkbox"/> tikIO"ew (*eon/fIOmrs/rOeIJw.IIif windows) - <input type="checkbox"/> O Inadequate protection from sun/dust/heat/cold/moisture - <input type="checkbox"/> E Lack of insect/rodent control - <input type="checkbox"/> F Vehicles parked in storage <input type="checkbox"/> r u - <input type="checkbox"/> G Commingled storage with undesirable commodities - <input type="checkbox"/> H Multiple occupancy* - <input type="checkbox"/> f Weight stored in excess of <input type="checkbox"/> uthorhd limit*					
DEFICIENCIES OBSERVED/ACTIONS TAKEN BASED ON QUALITY CONTROL RATING RAW SCORE								
- <input type="checkbox"/> A No deficiencies observed.			A: 0 B: t-s : 9-16 O: 17 & OVER					
- <input type="checkbox"/> <input type="checkbox"/> Corrective action without report k required as soon <input type="checkbox"/> possible - <input type="checkbox"/> C Corrective action; confirmed in writing; is required by _____ (DATE). Send notice of corrective <input type="checkbox"/> ?tion to _____ - <input type="checkbox"/> D You <input type="checkbox"/> m _____ for further business as of _____ 1. You are continued ineligible for further initial service orders. NOTE: "See REVERSE SIDE for instructions.								
DOCUMENT FILES CHECKED			LOT NUMBERS CHECKED					
REMARKS:								
SIGNATURE & TITLE OF CONTRACTOR/CARRIER/REPRESENTATIVE			SIGNATURE OF DEPARTMENT OF DEFENSE INSPECTOR					

DD FORM 1812
1 JUN 79

EDITION 1 JUN 71 IS OBSOLETE.

1- RSMO/ITO FILE COPY

(figure K-1) K-9

“•” INSTRUCTIONS: This form will be prepared in TRIPLICATE. Tfre **original** will be retained **by** the **inspection** agency **(ITO/RSMO)**; duplicate **copy** will be furnished to the **contractor/carrier’s agent**; • nd **triplicate copy** will be **forwarded** to the responsible **ITO/RSMO** for information **purposes**.

SECTION 1 -5: When • **discrepancy** • xists, **it will** be **rated** by using the numbers of 1, **2**, • nd 3, reflecting the ascending **seriousness** of the “findings, which is **prescribed** in the “‘Guide to Severity of Deficiencies.” The rating will **be indicated** in **the blank** apace, preceding the violation. In the “REMARKS” apace, a reference to the Tender of **Service** or the Basic Ordering Agreement may be entered for each violation found.**If** needed, **include all** additional remarks on the **Reverse** Sii. Items marked by **an** asterisk ere applicable by the judgment of the inspector to interrupt **the contract with** or without the quality control **rating** of total • aeweed **points**.

SECTION 6: Aer assigned **rating** of A - D for administrative action corresponds **to** tfse total number of points given during **the** inspection, If item C **is** checked, **complete** the statement to show the allowed time for **corrective** • ction • nd **reply**.

REMARKS: **(CON’T)**